

Quality Perceptions of Filipino Fastfood Consumers

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APPROVAL SHEET

The thesis attached hereto, entitled QUALITY PERCEPTIONS OF FILIPINO FAST FOOD CONSUMERS, prepared and submitted by DANILO RUEDA CRUZ, in partial fulfillment of the requirements for the degree of Master of Food Service Administration is hereby accepted.


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The sweat, tears, and sleepless nights in doing this study taught me invaluable lessons and discipline in life, which I will cherish forever. Finally, now that this study has been completed, comes the joy and fulfillment that I owe first to **God**, then to my wife -- **Michele**, my co-traveler in the fast food industry and in life; to my **Mom, Dad, brothers and sisters** who consistently gave unconditional love and support; to my able research assistant and friend -- **Vangie S. Deliso**; to **Lalaine Mesias**, statistical consultant; to my uncle, **Melencio D. Rueda**, of the Ateneo de Manila University Graduate School of Business, who gave invaluable inputs in the writing of the manuscript.

DRC

DEDICATION

I dedicate this work to God, my country, my family, and the countless people working in the fast food Industry. Also, to the following both in the industry and in the academe-- in particular, **Dr. Grace P. Perdigon**, my Academic Adviser; **Dr. Corazon F. Gatchalian**, my Research Adviser; **Prof. Lorraine F. Villanueva** and **Prof. Reyniel Barrios**, both members of the Thesis Defense Panel, and to Mr. **Donald Lim** of Burger King, who all collectively inspired me to continue, despite the obstacles I encountered along the way.

ABSTRACT

This study focused on describing a segment of Filipino fast food consumers, their demographic characteristics, and their definition of quality in the context of the products and services offered in fast food. It aimed to determine a possible relationship between quality and consumer loyalty and to recommend strategies to satisfy the quality expectations of Filipino fast food consumers.

Consumers are viewed as significantly affected by past experiences, word-of-mouth influences, and other demographic factors. These factors comprise the consumers' specific needs, which must be satisfied by a fast-food dining experience. The fulfillment of all these needs, categorized as higher, lower, and transcendent, influences the consumers' decision to patronize and to be loyal to the establishment. Loyalty in this context is deemed to be developed only if the conglomeration of all the consumers' needs is consistently satisfied in every dining experience they undergo.

Data were gathered using pre-tested survey questionnaires, which were administered to a random sample of 400 fast-food diners at two fast-food outlets of a multinational chain. One store was situated in a mall in Mandaluyong, and the other was a freestanding unit in Quezon City.

Data were analyzed using descriptive statistics and the chi-square tests of independence.

Findings showed that fast food consumers are mostly young adults and teenagers, college students and graduates, and those currently employed within the vicinity of the fast food stores. The majority are female and single.

No significant relationship was found between the consumers' frequency of visits to fast food and the amount spent per visit.

Quality was defined by the consumers based on the following characteristics of products and services, ranked according to perceived importance: flavor and taste, value for money/nutrient content, presentation and packaging, variety and availability, systematic ordering and selling, feeling of security in the food and environment, prompt delivery and service, consistency of service, feeling of recognition/ Importance, and feeling of security and accessibility of location.

A significant relationship was found between consumer loyalty and all the above-tested quality characteristics except for flavor and taste. Although ranked as the most important quality characteristic, the flavor and taste of food served in the fast food were shown to have no significant relationship with the consumers' decision to be loyal to the establishment, except when it becomes a discriminant factor. When all the major players are perceived to equally provide all the consumers' needs, then consumers will go for one or two fast food establishments with the strongest appeal to their gustatory sense.

One suggested strategy is rewarding and encouraging the formation of loyal consumers. The need for loyal consumers who "advocate" for the establishment so that others will come ensures the continued viability of the business.

To read the whole thesis please email your request to drcruz1@up.edu.ph